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## **BAUCUS LOOKS TO BOOST ECONOMIC DEVELOPMENT IN NATIVE AMERICAN COMMUNITIES**

*Finance chairman asks how Indian tax policy can be improved*

**Washington, DC** – Senate Finance Committee Chairman Max Baucus (D-Mont.) on Tuesday convened a hearing to review tax policy specifically designed to promote economic development in Indian country, and to hear from witnesses what additional proposals could boost Indian economies. Baucus asked witnesses from the Native American community about the challenges they face in using tax-exempt bonds, accelerated depreciation for businesses in Native American communities, and the Indian Employment Tax Credit, and what Congress can do to make the policies more useful.

**“I suspect that these tools have not yet provided all the benefit that they might. If that’s true, I will want to hear why,”** said Baucus. **“How much do these tax issues get to the heart of the matter, and is there more we can do to help economic development and create jobs?”**

Witnesses testified that tax incentives beneficial to Native American communities are not being utilized to their full potential, but that making the incentives permanent would help businesses have more confidence to increase investment in Indian Country. Baucus explored ideas like simplifying the incentives, the Indian Employment Tax Credit in particular, which would make the credit easier for companies to use and significantly increase job creation in Native American communities. Baucus also asked witnesses how greater flexibility in tribal use of tax exempt bonds could increase infrastructure projects and also create jobs in their communities. Baucus has introduced a proposal to give Indian tribes the same flexibility state and local governments have to issue these bonds. Dante Desiderio, an Economic Development Policy Specialist for the National Congress of American Indians testified that tribes are eager to create programs to boost economies on reservations across the country and improvements to these tax incentives would go a long way in that effort.

**“Despite the challenging social and economic conditions on reservations, there are a number of recent economic successes resulting from tribes exercising their sovereignty and utilizing available federal tools to grow their local economies and provide their citizens with a better quality of life,”** said Mr. Desiderio. **“To be successful, Congress should give tribes full use of government financing authority and business incentives to build an underlying economy and government revenue stream.”**

Baucus committed to continue working to improve tax policy for Indian Country. The Finance Committee has jurisdiction over all U.S. tax policy.

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